

EXHIBIT NO. 2DATE: 2/13/13BILL NO. SB 270**In Support of SB 270**

The following points are to illustrate the potential value of telemedicine in the lives of Montanans.

**Example: Elimination of unnecessary emergent transports out of state.**

In the case of a child with a depressed skull fracture, there have been instances when the child was transported to SVH ED where there is 24/7/365 coverage by pediatric intensivists. This type of injury mandates evaluation by a board certified pediatric neurosurgeon. Traditionally this child would be transported to a metropolitan children's hospital to complete 24 hours of observation, and if no deterioration noted, then released to the care of parents/guardians. The discharge generally occurred by the time family members were arriving at the hospital to be with the child.

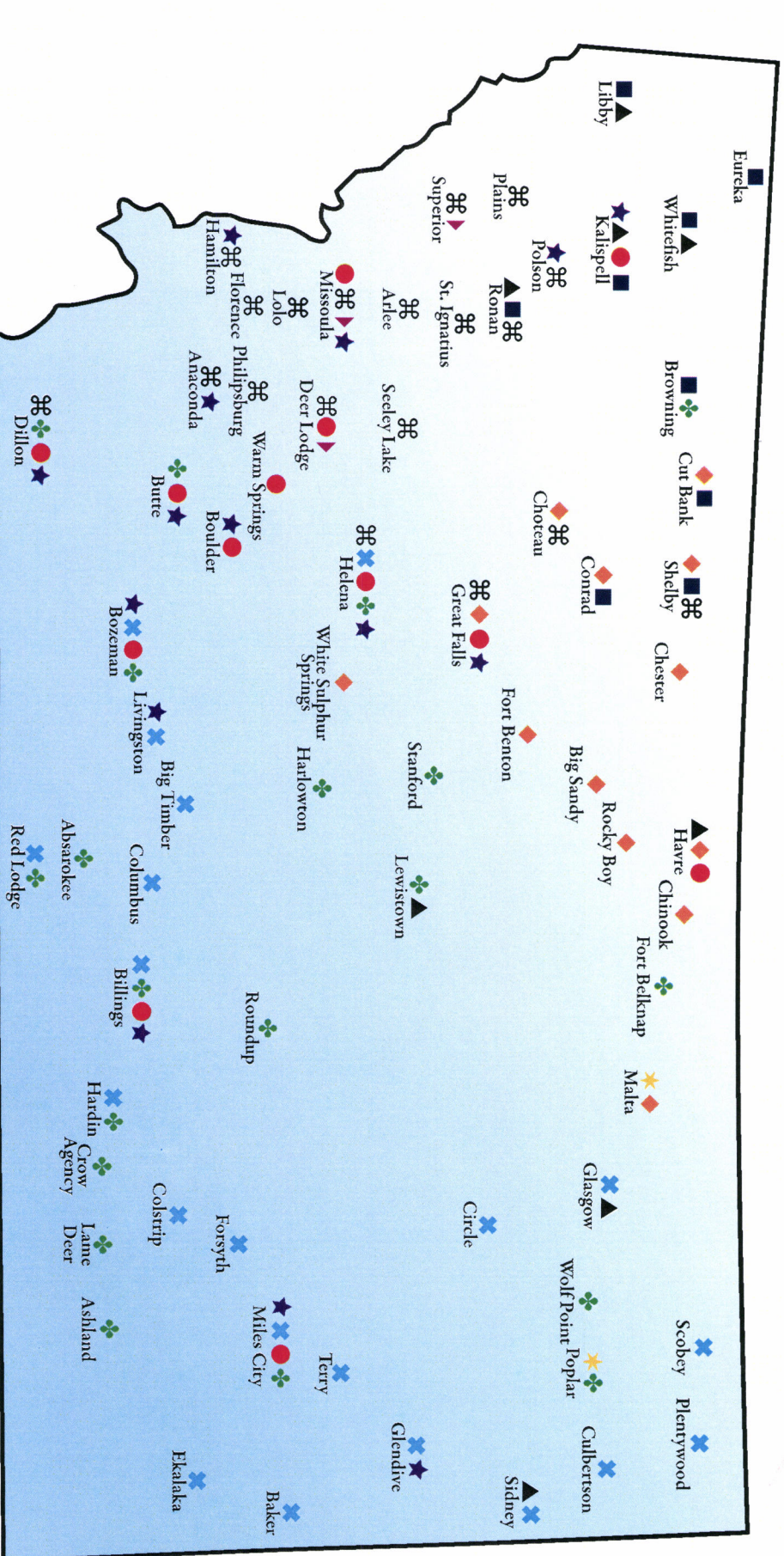
One avoided trip as a result of a Board Certified Pediatric Surgeon evaluating the CT Scan, assessing child via telemedicine and advising parents and ED Physicians that transport is not necessary (risk of transport is greater than that of the child possibly needing surgical intervention) and to observe for 24 hours has the potential to save many dollars for providers, insurers and patients/families.

Expenditure	Estimated Expense	
	Traditional (Transport)	Telemedicine (Evaluate and Keep)
Cost of Medical Transport to Denver	\$ 23,000	\$ 0
Insurance coverage for transport	\$ 0 - \$ 23,000	\$ 0
Medicaid coverage for transport	\$ 4 - 5,000	\$ 0
Cost of Private Car to Denver (per diem rate \$0.565/mi X 555 mi)	\$ 627.15	\$ 0
Hotel Room	\$ 149	\$ 90

**Example: Reduction of travel costs.**

If a child has been transported to Denver and subsequently discharged, there is usually a need to see the Pediatric Neurosurgeon for a follow up visit to assess if child is doing well and without any medical issues. These follow up visits are easily accomplished using telemedicine. If telemedicine is not an option due to lack of reimbursement for provider time/expertise, then the option left is for the patient/family to travel to Denver and physically see the specialist. Note that Medicaid will pay for travel expenses to send child and parent/guardian to see the specialist. These expenses can range from \$600 per diem rate for use of car or to \$800 for flight costs/person.

# MONTANA TELEHEALTH ALLIANCE (MTA)



Revised 09 01 10





**MONTANA**  
STATE UNIVERSITY

Office of Rural Health  
Area Health  
Education Center

Whereas telemedicine is a cost effective and clinically sound method of delivering healthcare services to rural communities, and

Whereas many small communities in Montana cannot support specialty care services in their own community, and

Whereas, residents of small communities, who are disproportionally elderly and low income, would need to travel long distances to receive needed specialty care services, and

Whereas physicians providing telemedicine services are credentialed to provide those services

Therefore be it resolved that the Montana Office of Rural Health/AHEC Advisory Committee supports reimbursement for telemedicine services if the healthcare service would be reimbursed if it were provided in person.

February 8, 2013